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Proposed Counsel for the Debtor

**UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA**

San Francisco Division

In re

**BIJOU-CENTURY, LLC**

Debtor

Case No. 22-30126 HLB

Chapter 11

**DECLARATION OF JOSEPH CAROUBA  
IN SUPPORT OF SUB-CHAPTER V PETITION**

I, Joseph Carouba, do hereby declare:

1. I am an individual, over the age of 18. I am the Manager of Bijou-Century, LLC (the “Debtor”).

2. Attached hereto as Exhibit A is a true and correct copy of resolutions of the Manager of the Debtor at which the filing of a Petition for relief under Sub-Chapter V of Chapter 11 of the Bankruptcy Code was approved. Those resolutions also provide for the designation of Joseph Carouba and Gary Marlin as the “Responsible Individuals” to act on behalf of the Debtor in these proceedings.

1           3. Attached hereto as Exhibit B is a true and correct copy of the Debtor's most recent internal  
2 financial statement.

3           4. The Debtor is a disregarded entity for tax purposes, with its circumstances reported on the  
4 tax returns of its sole member. Attached hereto as Exhibit C is a true and correct copy of the most  
5 recent tax return of the Debtor's sole member.  
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7           I declare under penalty of perjury according to the laws of the United States of America that the  
8 foregoing is true and correct. Executed this 12<sup>th</sup> day of March, 2022 at San Francisco, California.

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10                               /s/ Joseph Carouba .  
11                               Joseph Carouba  
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# Exhibit

A

## **RESOLUTION**

The undersigned (the "Manager"), being the sole manager of Bijou-Century, LLC (the "Company"), a Nevada limited liability company, hereby approves and adopts the following resolutions in lieu of a meeting, which shall be effective as of March 9, 2022:

**WHEREAS**, the undersigned has reviewed the Company's financial situation, prospects, assets and liabilities and the interests of the creditors and equity holders of the Company.

**WHEREAS**, the Company is defending litigation, which litigation the Company cannot afford to defend and has been unable to settle.

**WHEREAS**, the Company is presently unable to continue operations and preserve the good will of the businesses as a going-concern without seeking protection under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code").

**WHEREAS**, the Company has determined that if its debts are reorganized in an orderly fashion through Chapter 11, there is a substantial likelihood that the Company will be able to reorganize and remain in business.

**WHEREAS**, it appears to the undersigned that it is in the best interest of the Company, its creditors and its equity holders is to commence a case under Chapter 11 of the Bankruptcy Code.

### **NOW, THEREFORE, BE IT**

**RESOLVED**, that the filing by this Company of a petition for relief under Subchapter V of Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of California be, and it hereby is, authorized and approved.

**RESOLVED FURTHER**, that Joseph Carouba and Gary Marlin are both appointed, authorized and directed to act, separately and independently, as the "Responsible Individual" for the Company as may be required by Local Bankruptcy Rules the Northern District of California and fulfill all of the responsibilities of such position.

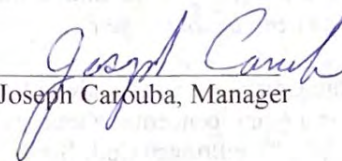
**RESOLVED FURTHER** that the Manager and the Responsible Individuals are empowered and directed without further action to prepare, sign and file, or cause to be prepared, signed and filed and prosecuted, a petition for relief under Chapter 11 of the Bankruptcy Code, and all agreements, instruments and documents necessary to effect a Chapter 11 Plan and all instruments useful and necessary to the confirmation and implementation of such Plan.

**RESOLVED FURTHER** that the Manager is authorized, empowered and directed to retain St. James Law, P.C ("Counsel") to commence and prosecute the aforementioned Chapter 11 case and to do all things, and to prepare, sign and file all papers or documents necessary or proper to the prosecution of said Chapter 11 case; and Counsel is authorized to take such actions in the

bankruptcy case which Counsel, in its discretion, concludes are necessary to Counsel's and/or the Company's fulfillment of its fiduciary obligations in the bankruptcy case.

**RESOLVED FURTHER** that the Company shall pay to Counsel a retainer in the amount of \$30,000, which Counsel shall have and hold as security for the payment for the services it shall perform, and which Counsel shall be authorized to draw upon from time to time in its discretion and services are performed.

**RESOLVED FURTHER** that the Manager and the Responsible Individuals are authorized to engage such other and further professionals and to take such other actions as may seem to them fitting and appropriate in order effectively and successfully to prosecute the Company's Chapter 11 case.

  
Joseph Carouba, Manager

# **Exhibit**

# **B**



**Bijou Century, LLC**  
**Balance Sheet**  
**As of December 31, 2021 and 2020**

**Assets**

	2021	2020
<b>Current Assets</b>		
Cash On Hand	\$ 18,676.00	\$ 49,838.00
ATM Cash On Hand	20,000.00	20,000.00
Cash in Bank-Bank of America	100,695.79	335,001.45
Cash in Bank-Savings	0.00	0.01
Cash in Bank Savings - Unfunded	0.00	704,650.00
Cash Clearing	0.00	(9,867.89)
PR Stale Checks	(4,077.81)	0.00
ERTC-Employee Retention Tax Credit	379,545.94	0.00
Note Receivable-BT California	854,698.89	837,788.66
Inventory	2,166.66	1,553.42
Prepaid Insurance	20,345.12	26,568.87
Prepaid Expenses	28,051.15	28,969.57
<b>Total Current Assets</b>	<u>1,420,101.74</u>	<u>1,994,502.09</u>
<b>Property and Equipment</b>		
Furniture & Fixture	149,381.83	149,381.83
Equipment	355,332.75	355,332.75
Leasehold Improvements	743,623.18	743,623.18
Less Accumulated Depreciation	<u>(638,328.24)</u>	<u>(620,034.11)</u>
<b>Net Property and Equipment</b>	<u>610,009.52</u>	<u>628,303.65</u>
<b>Total Assets</b>	<u><u>\$ 2,030,111.26</u></u>	<u><u>\$ 2,622,805.74</u></u>

**Bijou Century, LLC**  
**Balance Sheet**  
**As of December 31, 2021 and 2020**

**Liabilities and Partners' Equity**

	2021	2020
<b>Current Liabilities</b>		
Accounts Payable -Trade	\$ 221,872.78	\$ 808,618.27
Note Payable-Gold Club-SF, LLC	254,583.26	249,546.33
Note Payable-Roaring 20's	0.00	6,384.50
Note Payable-SAW Ent-Con/Hus	5,507.85	0.00
Note Payable - PPP Loan	696,670.00	696,670.00
Loan Payable-Rhee Settlement	137,613.72	0.00
Loan Payable-Rhee Settlement Fees	50,083.33	0.00
Accrued Salaries & Wages	33,700.00	4,000.00
Deferred Social Security - CARES	3,365.10	6,632.47
Accrued State Sales Tax	825.00	0.00
Accrued Use Tax	55.00	0.00
<b>Total Current Liabilities</b>	<u>1,404,276.04</u>	<u>1,771,851.57</u>
<b>Long-Term Liabilities</b>		
<b>Total Long-Term Liabilities</b>	<u>0.00</u>	<u>0.00</u>
<b>Total Liabilities</b>	<u>1,404,276.04</u>	<u>1,771,851.57</u>
<b>Partners' Equity</b>		
Members' Equity	<u>625,835.22</u>	<u>850,954.17</u>
<b>Total Partners' Equity</b>	<u>625,835.22</u>	<u>850,954.17</u>
<b>Total Liabilities and Partners' Equity</b>	<u>\$ 2,030,111.26</u>	<u>\$ 2,622,805.74</u>



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**Bijou Century, LLC**  
**Statement of Members' Equity**

	12 Months Ended December 31, 2021	12 Months Ended December 31, 2020
Beginning Members' Equity	\$ 850,954.17	\$ 1,144,102.10
Plus Net Income	(225,118.95)	(293,147.93)
Less Distributions Paid	<u>0.00</u>	<u>0.00</u>
<b>Ending Members' Equity</b>	<b><u>\$ 625,835.22</u></b>	<b><u>\$ 850,954.17</u></b>

# Bijou Century, LLC Income Statement

	1 Month Ended December 31, 2021		Percent	1 Month Ended December 31, 2020		Percent	12 Months Ended December 31, 2021		Percent	12 Months Ended December 31, 2020		Percent
<b>Sales</b>												
Door Admissions	\$	13,585.00	4.90 %	\$	0.00	0.00 %	\$	173,260.00	6.52 %	\$	68,660.00	6.66 %
Food & Beverage Sales		2,459.17	0.89		0.00	0.00		26,868.01	1.01		4,078.18	0.40
Dances		218,280.00	78.66		0.00	0.00		2,068,235.00	77.79		786,920.00	76.33
Miscellaneous		43,172.00	15.56		0.00	0.00		390,212.00	14.68		171,250.00	16.61
<b>Total Sales</b>		<u>277,496.17</u>	<u>100.00</u>		<u>0.00</u>	<u>0.00</u>		<u>2,658,575.01</u>	<u>100.00</u>		<u>1,030,908.18</u>	<u>100.00</u>
<b>Cost of Goods Sold</b>												
Food & Beverage Cost of Goods		<u>1,485.54</u>	<u>0.54</u>		<u>1,329.36</u>	<u>0.00</u>		<u>14,001.76</u>	<u>0.53</u>		<u>4,602.35</u>	<u>0.45</u>
<b>Total Cost of Goods Sold</b>		<u>1,485.54</u>	<u>0.54</u>		<u>1,329.36</u>	<u>0.00</u>		<u>14,001.76</u>	<u>0.53</u>		<u>4,602.35</u>	<u>0.45</u>
<b>Gross Profit</b>		<u>276,010.63</u>	<u>99.46</u>		<u>(1,329.36)</u>	<u>0.00</u>		<u>2,644,573.25</u>	<u>99.47</u>		<u>1,026,305.83</u>	<u>99.55</u>
<b>Operating Expenses</b>												
Payroll Wage & Salary - Club		35,718.85	12.87		(8,056.70)	0.00		323,557.55	12.17		161,110.56	15.63
Payroll Bonus		500.00	0.18		0.00	0.00		500.00	0.02		200.00	0.02
Salaries & Wages-Entertainers		30,199.32	10.88		937.84	0.00		184,698.66	6.95		48,077.51	4.66
Payroll Taxes - Club		3,950.42	1.42		269.41	0.00		40,319.52	1.52		21,167.51	2.05
Payroll Taxes - Entertainers		3,905.34	1.41		337.04	0.00		79,572.53	2.99		59,012.22	5.72
Payroll Medical		3,062.82	1.10		9,793.28	0.00		16,613.58	0.62		3,657.90	0.35
Payroll Services		0.00	0.00		659.62	0.00		4,449.16	0.17		6,085.11	0.59
Advertising - Sales & Promo		1,336.76	0.48		317.60	0.00		10,171.52	0.38		7,220.09	0.70
Bank Charges		227.23	0.08		149.58	0.00		2,276.72	0.09		1,993.78	0.19
Bankcard Fees/Discounts		7,700.66	2.78		975.75	0.00		50,781.73	1.91		30,358.02	2.94
Bankcard Chargebacks		(14,034.97)	(5.06)		0.00	0.00		0.00	0.00		991.41	0.10
ATM Service Fee		64.00	0.02		0.00	0.00		993.50	0.04		510.50	0.05
POS Trans Fee		47.92	0.02		7.52	0.00		403.04	0.02		189.20	0.02
Over/Short Cash		4.80	0.00		0.00	0.00		22.10	0.00		14.34	0.00
ClubTrax Dollars Over/Short		0.00	0.00		0.00	0.00		300.00	0.01		4,000.00	0.39
Commissions		113,578.00	40.93		1,629.60	0.00		1,088,646.80	40.95		428,693.60	41.58
Dues & Subscriptions		70.37	0.03		22.50	0.00		5,977.69	0.22		1,469.50	0.14
Insurance		3,503.08	1.26		5,649.19	0.00		79,523.07	2.99		60,370.31	5.86
Janitorial Supplies/Services		4,235.57	1.53		0.00	0.00		39,928.91	1.50		19,535.21	1.89
Legal		52,316.88	18.85		16,611.32	0.00		375,664.68	14.13		168,960.99	16.39
Licenses		0.00	0.00		0.00	0.00		2,846.99	0.11		4,756.40	0.46
Management Fees		24,000.00	8.65		(671,500.00)	0.00		424,600.00	15.97		(263,500.00)	(25.56)
Office Supply		90.14	0.03		0.00	0.00		452.00	0.02		521.42	0.05
Postage & Freight Out Charges		0.00	0.00		0.00	0.00		26.76	0.00		321.54	0.03
Printing & Stationary		0.00	0.00		298.75	0.00		2,232.18	0.08		884.17	0.09
Promotions		800.00	0.29		0.00	0.00		14,403.16	0.54		16,940.84	1.64

# Bijou Century, LLC

## Income Statement

	1 Month Ended December 31, 2021		1 Month Ended December 31, 2020		12 Months Ended December 31, 2021		12 Months Ended December 31, 2020	
		Percent		Percent		Percent		Percent
Repair & Maintenance-Building	255.81	0.09	528.29	0.00	5,772.01	0.22	7,689.14	0.75
Repair & Maintenance-Equipment	568.83	0.20	0.00	0.00	11,007.22	0.41	5,119.71	0.50
Security	8,488.00	3.06	0.00	0.00	84,240.73	3.17	92,335.28	8.96
Supplies	1,151.49	0.41	79.06	0.00	5,471.36	0.21	1,168.80	0.11
Taxes-Business	5.30	0.00	0.00	0.00	10,526.21	0.40	4,389.62	0.43
Telephone	464.56	0.17	407.78	0.00	5,385.62	0.20	4,686.92	0.45
Travel	0.00	0.00	0.00	0.00	126.34	0.00	0.00	0.00
Utilities	3,917.11	1.41	2,289.30	0.00	36,936.38	1.39	30,163.54	2.93
Vehicle	59.08	0.02	65.52	0.00	665.82	0.03	639.12	0.06
Professional Services	0.00	0.00	0.00	0.00	1,594.23	0.06	1,310.00	0.13
Accounting Services	3,428.00	1.24	(9,500.84)	0.00	38,442.19	1.45	25,228.60	2.45
Consulting Fees-Global Mgmt	0.00	0.00	0.00	0.00	0.00	0.00	10,208.12	0.99
Depreciation Expense	1,524.54	0.55	1,524.54	0.00	18,294.13	0.69	18,294.14	1.77
Rent	(163,894.00)	(59.06)	(101,632.50)	0.00	289,699.00	10.90	341,668.50	33.14
Taxes-Property	3,470.94	1.25	3,621.12	0.00	42,570.01	1.60	42,099.30	4.08
<b>Total Operating Expenses</b>	<b>130,716.85</b>	<b>47.11</b>	<b>(744,515.43)</b>	<b>0.00</b>	<b>3,299,693.10</b>	<b>124.12</b>	<b>1,368,542.92</b>	<b>132.75</b>
<b>Operating Income (Loss)</b>	<b>145,293.78</b>	<b>52.36</b>	<b>743,186.07</b>	<b>0.00</b>	<b>(655,119.85)</b>	<b>(24.64)</b>	<b>(342,237.09)</b>	<b>(33.20)</b>
<b>Other Income (Expenses)</b>								
Miscellaneous Income	183,194.54	66.02	1,000.00	0.00	391,613.79	14.73	22,819.44	2.21
ATM Transaction Income	1,825.00	0.66	0.00	0.00	31,136.00	1.17	14,277.00	1.38
Interest Income	1,422.13	0.51	1,394.00	0.00	16,910.22	0.64	16,737.97	1.62
Miscellaneous Expense	(200.00)	(0.07)	0.00	0.00	(200.00)	(0.01)	0.00	0.00
Interest Expense	(754.42)	(0.27)	(425.84)	0.00	(9,459.11)	(0.36)	(4,745.25)	(0.46)
<b>Total Other Income (Expenses)</b>	<b>185,487.25</b>	<b>66.84</b>	<b>1,968.16</b>	<b>0.00</b>	<b>430,000.90</b>	<b>16.17</b>	<b>49,089.16</b>	<b>4.76</b>
<b>Net Income (Loss) Before Taxes</b>	<b>330,781.03</b>	<b>119.20</b>	<b>745,154.23</b>	<b>0.00</b>	<b>(225,118.95)</b>	<b>(8.47)</b>	<b>(293,147.93)</b>	<b>(28.44)</b>
<b>Net Income (Loss)</b>	<b>\$ 330,781.03</b>	<b>119.20 %</b>	<b>\$ 745,154.23</b>	<b>0.00 %</b>	<b>\$ (225,118.95)</b>	<b>(8.47)%</b>	<b>\$ (293,147.93)</b>	<b>(28.44)%</b>

# Exhibit

# C



<b>Form 1065</b> Department of the Treasury Internal Revenue Service		<b>U.S. Return of Partnership Income</b> For calendar year 2020, or tax year beginning _____, ending _____ ▶ Go to <a href="http://www.irs.gov/Form1065">www.irs.gov/Form1065</a> for instructions and the latest information.		OMB No. 1545-0123 <b>2020</b>	
<b>A</b> Principal business activity  <b>Entertainment</b>	<b>Type or Print</b>	<b>Name of partnership</b>  <b>Little Darlings of San Francisco, L</b>	<b>D</b> Employer identification number  <div style="background-color: black; width: 100px; height: 1.2em;"></div>		
<b>B</b> Principal product or service  <b>Juice Bar</b>		<b>Number, street, and room or suite no. If a P.O. box, see instructions.</b> <b>8252 E Lansing Rd</b>	<b>E</b> Date business started  <b>07/05/1996</b>		
<b>C</b> Business code number  <b>713900</b>		<b>City or town, state or province, country, and ZIP or foreign postal code</b> <b>Durand MI 48429</b>	<b>F</b> Total assets (see instructions) <b>\$ 3,091,392</b>		
<b>G</b> Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change (5) <input type="checkbox"/> Amended return <b>H</b> Check accounting method: (1) <input type="checkbox"/> Cash (2) <input checked="" type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ▶ _____ <b>I</b> Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ <b>4</b> <b>J</b> Check if Schedules C and M-3 are attached ▶ <input type="checkbox"/> <b>K</b> Check if partnership: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 469 passive activity purposes					
<b>Caution:</b> Include <b>only</b> trade or business income and expenses on lines 1a through 22 below. See instructions for more information.					
<b>Income</b>	<b>1a</b> Gross receipts or sales <b>1,482,950</b>				
	<b>1b</b> Returns and allowances				
	<b>c</b> Balance. Subtract line 1b from line 1a		<b>1c</b>	<b>1,482,950</b>	
	<b>2</b> Cost of goods sold (attach Form 1125-A)		<b>2</b>	<b>13,911</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c		<b>3</b>	<b>1,469,039</b>	
	<b>4</b> Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)		<b>4</b>		
	<b>5</b> Net farm profit (loss) (attach Schedule F (Form 1040))		<b>5</b>		
	<b>6</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)		<b>6</b>		
<b>Deductions (see instructions for limitations)</b>	<b>7</b> Other income (loss) (attach statement)		<b>7</b>		
	<b>8</b> <b>Total income (loss).</b> Combine lines 3 through 7		<b>8</b>	<b>1,469,039</b>	
	<b>9</b> Salaries and wages (other than to partners) (less employment credits)		<b>9</b>	<b>931,802</b>	
	<b>10</b> Guaranteed payments to partners		<b>10</b>		
	<b>11</b> Repairs and maintenance		<b>11</b>	<b>21,459</b>	
	<b>12</b> Bad debts		<b>12</b>		
	<b>13</b> Rent		<b>13</b>	<b>536,056</b>	
	<b>14</b> Taxes and licenses		<b>14</b>	<b>200,778</b>	
	<b>15</b> Interest (see instructions)		<b>15</b>	<b>12,326</b>	
	<b>16a</b> Depreciation (if required, attach Form 4562) <b>24,154</b>		<b>16a</b>		
	<b>b</b> Less depreciation reported on Form 1125-A and elsewhere on return		<b>16b</b>		
<b>Tax and Payment</b>	<b>16c</b>		<b>16c</b>	<b>24,154</b>	
	<b>17</b> Depletion (Do not deduct oil and gas depletion.)		<b>17</b>		
	<b>18</b> Retirement plans, etc.		<b>18</b>		
	<b>19</b> Employee benefit programs		<b>19</b>	<b>13,654</b>	
	<b>20</b> Other deductions (attach statement) <b>See Statement 1</b>		<b>20</b>	<b>370,085</b>	
	<b>21</b> <b>Total deductions.</b> Add the amounts shown in the far right column for lines 9 through 20		<b>21</b>	<b>2,110,314</b>	
	<b>22</b> <b>Ordinary business income (loss).</b> Subtract line 21 from line 8		<b>22</b>	<b>-641,275</b>	
	<b>23</b> Interest due under the look-back method—completed long-term contracts (attach Form 8697)		<b>23</b>		
	<b>24</b> Interest due under the look-back method—income forecast method (attach Form 8866)		<b>24</b>		
	<b>25</b> BBA AAR imputed underpayment (see instructions)		<b>25</b>		
<b>26</b> Other taxes (see instructions)		<b>26</b>			
<b>27</b> <b>Total balance due.</b> Add lines 23 through 26		<b>27</b>			
<b>28</b> Payment (see instructions)		<b>28</b>			
<b>29</b> <b>Amount owed.</b> If line 28 is smaller than line 27, enter amount owed		<b>29</b>			
<b>30</b> <b>Overpayment.</b> If line 28 is larger than line 27, enter overpayment		<b>30</b>			
<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than partner or limited liability company member) is based on all information of which preparer has any knowledge.				
Signature of partner or limited liability company member _____ Date _____					May the IRS discuss this return with the preparer shown below? See instructions. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Angela Swank</b>		Preparer's signature _____ Date _____		Check <input type="checkbox"/> if self-employed PTIN <b>P00645043</b>
	Firm's name ▶ <b>Modern Bookkeeping</b>		Firm's E N ▶ <div style="background-color: black; width: 100px; height: 1.2em;"></div>		
Firm's address ▶ <b>8252 E Lansing Rd Durand, MI</b>		<b>48429-1059</b>		Phone no. <b>989-288-2643</b>	

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2020)

**Schedule B Other Information**

<b>1</b> What type of entity is filing this return? Check the applicable box:	<b>Yes</b>	<b>No</b>
<b>a</b> <input type="checkbox"/> Domestic general partnership		
<b>b</b> <input type="checkbox"/> Domestic limited partnership		
<b>c</b> <input checked="" type="checkbox"/> Domestic limited liability company		
<b>d</b> <input type="checkbox"/> Domestic limited liability partnership		
<b>e</b> <input type="checkbox"/> Foreign partnership		
<b>f</b> <input type="checkbox"/> Other <b>u</b>		
<b>2</b> At the end of the tax year:		
<b>a</b> Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership	<b>X</b>	
<b>b</b> Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership		<b>X</b>
<b>3</b> At the end of the tax year, did the partnership:		
<b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below		<b>X</b>
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation
<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below		<b>X</b>
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity
<b>4</b> Does the partnership satisfy <b>all four</b> of the following conditions?	<b>Yes</b>	<b>No</b>
<b>a</b> The partnership's total receipts for the tax year were less than \$250,000.		
<b>b</b> The partnership's total assets at the end of the tax year were less than \$1 million.		
<b>c</b> Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
<b>d</b> The partnership is not filing and is not required to file Schedule M-3 If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; item F on page 1 of Form 1065; or item L on Schedule K-1.		<b>X</b>
<b>5</b> Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		<b>X</b>
<b>6</b> During the tax year, did the partnership have any debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		<b>X</b>
<b>7</b> Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		<b>X</b>
<b>8</b> At any time during calendar year 2020, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country <b>u</b>		<b>X</b>
<b>9</b> At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		<b>X</b>
<b>10a</b> Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		<b>X</b>
<b>b</b> Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		<b>X</b>



**Schedule B Other Information (continued)**

	Yes	No
<b>c</b> Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		<b>X</b>
<b>11</b> Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly owned by the partnership throughout the tax year)		
<b>12</b> At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		<b>X</b>
<b>13</b> If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), enter the number of Forms 8858 attached. See instructions		<b>0</b>
<b>14</b> Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership		<b>X</b>
<b>15</b> Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return		<b>0</b>
<b>16a</b> Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions	<b>X</b>	
<b>b</b> If "Yes," did you or will you file required Form(s) 1099?	<b>X</b>	
<b>17</b> Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return		<b>0</b>
<b>18</b> Enter the number of partners that are foreign governments under section 892		<b>0</b>
<b>19</b> During the partnership's tax year, did the partnership make any payments that would require it to file Form 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474)?		<b>X</b>
<b>20</b> Was the partnership a specified domestic entity required to file Form 8938 for the tax year? See the Instructions for Form 8938		<b>X</b>
<b>21</b> Is the partnership a section 721(c) partnership, as defined in Regulations section 1.721(c)-1(b)(14)?		<b>X</b>
<b>22</b> During the tax year, did the partnership pay or accrue any interest or royalty for which one or more partners are not allowed a deduction under section 267A? See instructions If "Yes," enter the total amount of the disallowed deductions		<b>X</b>
<b>23</b> Did the partnership have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions	<b>X</b>	
<b>24</b> Does the partnership satisfy one or more of the following? See instructions <b>a</b> The partnership owns a pass-through entity with current, or prior year carryover, excess business interest expense. <b>b</b> The partnership's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$26 million and the partnership has business interest. <b>c</b> The partnership is a tax shelter (see instructions) and the partnership has business interest expense. If "Yes" to any, complete and attach Form 8990.		<b>X</b>
<b>25</b> Is the partnership electing out of the centralized partnership audit regime under section 6221(b)? See instructions. If "Yes," the partnership must complete Schedule B-2 (Form 1065). Enter the total from Schedule B-2, Part III, line 3 If "No," complete Designation of Partnership Representative below.		<b>X</b>

**Designation of Partnership Representative** (see instructions)

Enter below the information for the partnership representative (PR) for the tax year covered by this return.

Name of PR	8252 E Lansing Rd Durand MI 48429		U.S. phone number of PR	
If the PR is an entity name of the designated individual for the PR	1		U.S. phone number of designated individual	

<b>26</b> Is the partnership attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 16		<b>X</b>
<b>27</b> Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership	<b>0</b>	
<b>28</b> At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		<b>X</b>
<b>29</b> Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties constituting a trade or business of your partnership, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the partners held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions. Percentage: By Vote By Value		<b>X</b>

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	-641,275
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments: a Services 4a b Capital 4b	4c	
	c Total. Add lines 4a and 4b	4c	
	5 Interest income	5	19,405
	6 Dividends and dividend equivalents: a Ordinary dividends	6a	
	b Qualified dividends 6b c Dividend equivalents 6c	6c	
	7 Royalties	7	
8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8		
9a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
b Collectibles (28%) gain (loss)	9b		
c Unrecaptured section 1250 gain (attach statement)	9c		
10 Net section 1231 gain (loss) (attach Form 4797)	10	-45,902	
11 Other income (loss) (see instructions) Type u	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13a Contributions	13a	
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type u (2) Amount u	13c(2)	
d Other deductions (see instructions) Type u	13d		
Self-Employment	14a Net earnings (loss) from self-employment	14a	
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
Credits	15a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	15c	
	d Other rental real estate credits (see instructions) Type u	15d	
	e Other rental credits (see instructions) Type u	15e	
	f Other credits (see instructions) Type u See Statement 2	15f	10,066
Foreign Transactions	16a Name of country or U.S. possession u		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	Foreign gross income sourced at partnership level		
	d Reserved for future use u e Foreign branch category u	16e	
	f Passive category u g General category u h Other (att. statement) u	16h	
	Deductions allocated and apportioned at partner level		
	i Interest expense u j Other u	16j	
	Deductions allocated and apportioned at partnership level to foreign source income		
	k Reserved for future use u l Foreign branch category u	16l	
	m Passive category u n General category u o Other u	16o	
	p Total foreign taxes (check one): u Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16p	
q Reduction in taxes available for credit (attach statement)	16q		
r Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties – gross income	17d	
	e Oil, gas, and geothermal properties – deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses See Statement 3	18c	10,922
	19a Distributions of cash and marketable securities	19a	
	b Distributions of other property	19b	
	20a Investment income	20a	19,405
	b Investment expenses	20b	
c Other items and amounts (attach statement) See Statement 4			

**Analysis of Net Income (Loss)**

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16p					1	-667,772
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt Organization	(vi) Nominee/Other
a General partners						
b Limited partners	-407,340		-166,944			-93,488

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		1,106,833		1,341,316
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories		8,674		7,761
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (attach statement) See Stmt 5		81,384		82,454
7a	Loans to partners (or persons related to partners)				
b	Mortgage and real estate loans				
8	Other investments (attach statement)				
9a	Buildings and other depreciable assets	1,912,646		1,633,116	
b	Less accumulated depreciation	1,189,814	722,832	980,341	652,775
10a	Depletable assets				
b	Less accumulated depletion				
11	Land (net of any amortization)				
12a	Intangible assets (amortizable only)	675,736		444,445	
b	Less accumulated amortization	667,149	8,587	435,858	8,587
13	Other assets (attach statement) See Stmt 6		943,933		998,499
14	Total assets		2,872,243		3,091,392
Liabilities and Capital					
15	Accounts payable		1,246,422		1,131,766
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities (attach statement) See Stmt 7		35,588		14,298
18	All nonrecourse loans				
19a	Loans from partners (or persons related to partners)				
b	Mortgages, notes, bonds payable in 1 year or more				
20	Other liabilities (attach statement) See Stmt 8		570,266		1,604,055
21	Partners' capital accounts		1,019,967		341,273
22	Total liabilities and capital		2,872,243		3,091,392

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note: The partnership may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	-678,694	6	Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Guaranteed payments (other than health insurance)		7	Deductions included on Schedule K, lines 1 through 13d, and 16p, not charged against book income this year (itemize):	
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16p (itemize):		a	Depreciation \$	
a	Depreciation \$		8	Add lines 6 and 7	
b	Travel and entertainment \$		9	Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	-667,772
	See Statement 9				
	10,922	10,922			
5	Add lines 1 through 4	-667,772			

**Schedule M-2 Analysis of Partners' Capital Accounts**

1	Balance at beginning of year	1,019,967	6	Distributions: a Cash	
2	Capital contributed: a Cash		b	Property	
	b Property		7	Other decreases (itemize):	
3	Net income (loss) per books	-678,694	8	Add lines 6 and 7	
4	Other increases (itemize):		9	Balance at end of year. Subtract line 8 from line 5	341,273
5	Add lines 1 through 4	341,273			

Form **1125-A**(Rev. November 2018)  
Department of the Treasury  
Internal Revenue Service**Cost of Goods Sold****u** Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.  
**u** Go to [www.irs.gov/Form1125A](http://www.irs.gov/Form1125A) for the latest information.

OMB No. 1545-0123

Name

**Little Darlings of San Francisco, L**

Employer identification number

[REDACTED]

<b>1</b>	Inventory at beginning of year .....	<b>1</b>	<b>8,674</b>
<b>2</b>	Purchases .....	<b>2</b>	<b>12,998</b>
<b>3</b>	Cost of labor .....	<b>3</b>	
<b>4</b>	Additional section 263A costs (attach schedule) .....	<b>4</b>	
<b>5</b>	Other costs (attach schedule) .....	<b>5</b>	
<b>6</b>	<b>Total.</b> Add lines 1 through 5 .....	<b>6</b>	<b>21,672</b>
<b>7</b>	Inventory at end of year .....	<b>7</b>	<b>7,761</b>
<b>8</b>	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions .....	<b>8</b>	<b>13,911</b>

**9a** Check all methods used for valuing closing inventory:

- (i) ☐ Cost  
(ii) ☒ Lower of cost or market  
(iii) ☐ Other (Specify method used and attach explanation.) **u** .....

**b** Check if there was a writedown of subnormal goods .....**u** ☐**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) .....**u** ☐**d** If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO .....**9d****e** If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions .....☒ Yes ☐ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation .....☐ Yes ☒ No

For Paperwork Reduction Act Notice, see instructions.

Form **1125-A** (Rev. 11-2018)

Form **4797**Department of the Treasury  
Internal Revenue Service**Sales of Business Property**  
**(Also Involuntary Conversions and Recapture Amounts**  
**Under Sections 179 and 280F(b)(2))**

u Attach to your tax return.

u Go to [www.irs.gov/Form4797](http://www.irs.gov/Form4797) for instructions and the latest information.

OMB No. 1545-0184

**2020**Attachment  
Sequence No. **27**

Name(s) shown on return

Identifying number

**Little Darlings of San Francisco, L****1** Enter the gross proceeds from sales or exchanges reported to you for 2020 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions**1****Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year** (see instructions)

<b>2 (a)</b> Description of property	<b>(b)</b> Date acquired (mo., day, yr.)	<b>(c)</b> Date sold (mo., day, yr.)	<b>(d)</b> Gross sales price	<b>(e)</b> Depreciation allowed or allowable since acquisition	<b>(f)</b> Cost or other basis, plus improvements and expense of sale	<b>(g)</b> Gain or (loss) Subtract (f) from the sum of (d) and (e)
<b>Bijou - Century assets</b>						
<b>Various</b>		<b>12/01/20</b>		<b>20,634</b>	<b>20,634</b>	
<b>assets</b>						
<b>Various</b>		<b>12/31/20</b>		<b>444,286</b>	<b>490,188</b>	<b>-45,902</b>

**3** Gain, if any, from Form 4684, line 39**3****4** Section 1231 gain from installment sales from Form 6252, line 26 or 37**4****5** Section 1231 gain or (loss) from like-kind exchanges from Form 8824**5****6** Gain, if any, from line 32, from other than casualty or theft**6****7** Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows**7****-45,902****Partnerships and S corporations.** Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120-S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.**Individuals, partners, S corporation shareholders, and all others.** If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.**8** Nonrecaptured net section 1231 losses from prior years. See instructions**8****9** Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions**9****Part II Ordinary Gains and Losses** (see instructions)**10** Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):


**11** Loss, if any, from line 7**11** ( )**12** Gain, if any, from line 7 or amount from line 8, if applicable**12****13** Gain, if any, from line 31**13****14** Net gain or (loss) from Form 4684, lines 31 and 38a**14****15** Ordinary gain from installment sales from Form 6252, line 25 or 36**15****16** Ordinary gain or (loss) from like-kind exchanges from Form 8824**16****17** Combine lines 10 through 16**17****18** For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below.**a** If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the loss from income-producing property on Schedule A (Form 1040), line 16. (Do not include any loss on property used as an employee.) Identify as from "Form 4797, line 18a." See instructions**18a****b** Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Schedule 1 (Form 1040), Part I, line 4**18b**

For Paperwork Reduction Act Notice, see separate instructions.

Form **4797** (2020)

There are no amounts for Page 2

Form **5884**  
(Rev. December 2016)  
Department of the Treasury  
Internal Revenue Service  
Name(s) shown on return

# Work Opportunity Credit

u Attach to your tax return.

u Information about Form 5884 and its separate instructions is at [www.irs.gov/form5884](http://www.irs.gov/form5884).

OMB No. 1545-0219

Attachment  
Sequence No. **77**

Name(s) shown on return		Identifying number
<b>Little Darlings of San Francisco, L</b>		
<b>1</b>	Enter on the applicable line below the total qualified first- or second-year wages paid or incurred during the tax year, and multiply by the percentage shown, for services of employees who are certified as members of a targeted group.	
<b>a</b>	Qualified first-year wages of employees who worked for you at least 120 hours but fewer than 400 hours ..... \$ <b>11,428</b> x 25% (0.25)	<b>1a</b> <b>2,857</b>
<b>b</b>	Qualified first-year wages of employees who worked for you at least 400 hours ..... \$ <b>6,000</b> x 40% (0.40)	<b>1b</b> <b>2,400</b>
<b>c</b>	Qualified second-year wages of employees certified as long-term family assistance recipients ..... \$ <b>9,484</b> x 50% (0.50)	<b>1c</b> <b>4,742</b>
<b>2</b>	Add lines 1a, 1b, and 1c. See instructions for the adjustment you must make to salaries and wages .....	<b>2</b> <b>9,999</b>
<b>3</b>	Work opportunity credit from partnerships, S corporations, cooperatives, estates, and trusts (see instructions) .....	<b>3</b>
<b>4</b>	Add lines 2 and 3. Cooperatives, estates, and trusts, go to line 5. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, Part III, line 4b .....	<b>4</b> <b>9,999</b>
<b>5</b>	Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions) .....	<b>5</b>
<b>6</b>	Cooperatives, estates, and trusts, subtract line 5 from line 4. Report this amount on Form 3800, Part III, line 4b .....	<b>6</b>

For Paperwork Reduction Act Notice, see separate instructions.

Form **5884** (Rev. 12-2016)



Form **8846**Department of the Treasury  
Internal Revenue Service**Credit for Employer Social Security and Medicare Taxes  
Paid on Certain Employee Tips**

u Attach to your tax return.

uGo to [www.irs.gov/Form8846](http://www.irs.gov/Form8846) for the latest information.

OMB No. 1545-0123

**2020**Attachment  
Sequence No. **846**

Name(s) shown on return

Identifying number

**Little Darlings of San Francisco, L****Note:** Claim this credit **only** for employer social security and Medicare taxes paid by a food or beverage establishment where tipping is customary for providing food or beverages. See the instructions for line 1.

<b>1</b> Tips received by employees for services on which you paid or incurred employer social security and Medicare taxes during the tax year (see instructions) .....	<b>1</b>	<b>878</b>
<b>2</b> Tips not subject to the credit provisions (see instructions) .....	<b>2</b>	
<b>3</b> Creditable tips. Subtract line 2 from line 1 .....	<b>3</b>	<b>878</b>
<b>4</b> Multiply line 3 by 7.65% (0.0765). If you had any tipped employees whose wages (including tips) exceeded \$137,700, see instructions and check here ..... <input type="checkbox"/>	<b>4</b>	<b>67</b>
<b>5</b> Credit for employer social security and Medicare taxes paid on certain employee tips from partnerships and S corporations .....	<b>5</b>	
<b>6</b> Add lines 4 and 5. Partnerships and S corporations, report this amount on Schedule K. All others, report this amount on Form 3800, Part III, line 4f .....	<b>6</b>	<b>67</b>

**For Paperwork Reduction Act Notice, see instructions.**Form **8846** (2020)

**Federal Statements**

FYE: 12/31/2020

**Statement 1 - Form 1065, Page 1, Line 20 - Other Deductions**

Description	Amount
Accounting	\$ 66,112
Advertising	21,727
Bankcard charges/chargebacks	41,834
Cash (Over)/Shortage	4,025
Consulting Fees	11,436
Dues and subscriptions	5,503
Insurance	84,825
Janitorial	38,986
Legal Fees	226,878
License Fees	11,821
Management Fees	-381,300
Miscellaneous	11,592
Office expense	2,064
Payroll Service Expense	12,159
Postage	921
Printing	1,267
Professional Services	7,105
Promotions	17,866
Security	93,517
Supplies	2,538
Telephone	15,653
Utilities	72,851
Vehicle Expenses	705
Total	\$ 370,085

**Statement 2 - Form 1065, Schedule K, Line 15f - Other Credits**

Description	Amount
Work Opportunity Credit	\$ 9,999
Credit for Taxes Paid on Tips	67
Total	\$ 10,066

**Statement 3 - Form 1065, Schedule K, Line 18c - Nondeductible Expenses**

Description	Amount
Tax Credit Adjustment	\$ 10,066
Penalties/Non-Deductible	856
Total	\$ 10,922

**Statement 4 - Form 1065, Schedule K, Line 20c - Other Items and Amounts**

Description	Amount
See attached Section 199A Information Worksheet	\$

**Federal Statements**

FYE: 12/31/2020

**Statement 5 - Form 1065, Schedule L, Line 6 - Other Current Assets**

Description	Beginning of Year	End of Year
Prepaid Insurance	\$ 38,183	\$ 38,137
Prepaid Other Expenses	43,435	44,317
Employee Advances	-234	0
Total	<u>\$ 81,384</u>	<u>\$ 82,454</u>

**Statement 6 - Form 1065, Schedule L, Line 13 - Other Assets**

Description	Beginning of Year	End of Year
Refundable Deposits	\$ 26,978	\$ 16,978
Loans Receivable-Related Part	916,955	981,521
Total	<u>\$ 943,933</u>	<u>\$ 998,499</u>

**Statement 7 - Form 1065, Schedule L, Line 17 - Other Current Liabilities**

Description	Beginning of Year	End of Year
Salaries Payable	\$ 29,400	\$ 5,500
Business Tax Payable	6,188	
Payroll Taxes Payable		8,779
Sales & Use Taxes Payable		19
Total	<u>\$ 35,588</u>	<u>\$ 14,298</u>

**Statement 8 - Form 1065, Schedule L, Line 20 - Other Liabilities**

Description	Beginning of Year	End of Year
Loans Payable - Related Party	\$ 570,266	\$ 716,653
Loans Payable - PPP		887,402
Total	<u>\$ 570,266</u>	<u>\$ 1,604,055</u>

**Statement 9 - Form 1065, Schedule M-1, Line 4 - Expenses Recorded on Books, Not on Sch K**

Description	Amount
Penalties/Non-Deductible	\$ 856
Tax Credit Adjustment	10,066
Total	<u>\$ 10,922</u>

Year Ending: December 31, 2020



Little Darlings of San Francisco, L  
8252 E Lansing Rd  
Durand, MI 48429

**Election to apply de minimis safe harbor rule to tangible property purchases**

Under IRC sections 162(a) and 263(a), taxpayer hereby elects to apply the de minimis safe harbor rule to tangible property purchases as follows:

Taxpayer will expense the purchase of tangible property that may have a useful life of over 12 months and which cost less than \$2,500 as materials and supplies. Any such items that cost \$2,500 or more will be capitalized.